

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

Bloomington Post Office
Bloomington, Idaho 83223

Docket No. A2012-2

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(November 28, 2011)

On October 4, 2011, the Postal Regulatory Commission (Commission) docketed two petitions for review of the Postal Service's determination to close the Bloomington Post Office post office in Bloomington, ID. These petitions were filed by Kelly and Julie Payne, and Dale Thornlock (Petitioners). Petitioner Thornlock's Petition was accompanied by a petition signed by members of the community. On October 6, 2011, the Commission issued a Notice of Filing under 39 U.S.C. § 404(d), and on October 7, 2011, the Commission issued Order No. 898, its Notice and Order Accepting Appeal and Establishing Procedural Schedule, pursuant to 39 U.S.C. § 404(d). In accordance with Order No. 898, the administrative record was filed with the Commission on October 19, 2011. On October 11, a letter from Dale Thornlock was received. On October 14, a letter from retired Postmaster Nada Thomas was received. On November 4, a participant statement from Petitioner Thornlock was received.

The correspondence received by the Commission raises three main issues: (1) the effect on postal services, (2) the impact upon the Bloomington community, and (3) the calculation of economic savings expected to result from discontinuing the

Bloomington Post Office. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. Additionally, consistent with the Postal Service's statutory obligations and Commission precedent,¹ the Postal Service gave consideration to a number of other issues, including the impact upon postal employees. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. Accordingly, the determination to discontinue the Bloomington Post Office should be affirmed.

Background

The Final Determination To Close the Bloomington, ID Post Office and Extend Service by Highway Contract Route Service and continue to provide delivery and retail service by highway contract route (HCR) service under the administrative responsibility of the Montpelier Post Office to cluster box units (CBUs), as well as the administrative record, indicate that the Bloomington Post Office provides EAS-11 level service from 8:00AM to 1:00 PM and 1:30PM to 4:00 PM Monday - Friday, from 8:00AM to 10:00AM on Saturday with lobby hours of 24 hours Monday through Saturday to 104 post office box customers or general delivery customers. Item 1², Request to Study at 1; Item 47, Final Determination (FD), at 2. The postmaster retired on June 30, 2010 and an OIC installed to operate the Post Office. Item 47, FD, at 2.

¹ See 39 U.S.C. 404(d)(2)(A).

² In these comments, specific items in the administrative record are referred to as "Item ____."

Revenue is declining: \$31,935 in FY 2008 (83 revenue units); \$24,727 in FY 2009 (64 revenue units); and \$18,815 in FY 2010 (52 revenue units). Item 47, FD, at 2. There are no meter or permit customers. Item 47, FD, at 2.

The Postal Service followed the proper procedures which led to the posting of the Final Determination. All issues raised by the customers of the Bloomington Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and Final Determination, customers received notice through other means. A letter was sent out on April 14, 2011 seeking opinions on a change to HCR service. Item 21, Letter to Customers at 1. The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item 22. In addition, representatives from the Postal Service were available at the Bloomington Hall for a community meeting on April 21, 2011, to answer questions and provide information to customers. Item 47, FD at 2; Item 21, Letter at 1; Item 24, Community Meeting Roster. Customers received formal notice of the Proposal and FD through postings at nearby facilities.

The Proposal was posted with an invitation for public comment at the Bloomington Post Office lobby, from May 26, 2011 to July 27, 2011. Item 47, FD at 2; Item 31, Instructions to OIC/Postmaster to Post Proposal; Item 33, Proposal to Close; Item 36, Date stamp Proposal. The Final Determination was posted at the Bloomington Post Office starting on September 15, 2011 and is still posted. Item 47, FD; Item 49, Round date stamped FD.

In light of the postmaster vacancy due to retirement, declining office revenue,³ the variety of delivery and retail options (including nearby retail service), minimal impact upon the community,⁴ and the expected financial savings,⁵ the Postal Service issued the Final Determination.⁶ Regular and effective postal services will continue to be provided to the Bloomington community in a cost-effective manner upon implementation of the Final Determination. Item 47, FD at Part VI.

Each of the issues raised by the Petitioners is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii), and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Bloomington Post Office on postal services provided to Bloomington customers. The closing is premised upon providing regular and effective postal services to Bloomington customers.

The Petitioners, in their letters of appeal, raise the issue of the effect on postal services of the Bloomington Post Office. They note the central location and express concern about traveling to other post offices. They also express concern for service provided to senior citizens. These concerns were considered by the Postal Service.

The effect of closing the Bloomington Post Office on the availability of postal services to the Bloomington customers was considered extensively by the Postal

³ Item 47, FD at 2.

⁴ Item 47, FD, at Part II.

⁵ Item 47, FD, at Part IV.

⁶ Item 47, FD.

Service. Item 47, FD at 2; Item 33, Proposal at 2. Upon the implementation of the Final Determination, services provided by the Bloomington Post Office, such as the sale of stamps, envelopes, postal cards, and money orders, will be available at the Montpelier Post Office located 12 miles away. Item 47, FD at 2; Item 33, Proposal at 2. Highway contract service will be provided to cluster box units. Item 47, FD at 2. In hardship cases, delivery can be made to the home of a customer. Item 47, FD Part I, Concern and Response to Proposal 4. There is also another post office for retail services, the Paris Post Office, an EAS-16 level post office, located 2.4 miles away. Item 47, FD at 2; Item 21, Letter at 1. Hours are 8:00Am to 2:00 PM. 2:30 PM to 4:30 PM. Monday through Friday, and 9:30 AM to 10:30 AM on Saturday. Item 47, FD at 2; Item 21, Letter at 1.

The record explains that carrier service is beneficial to many senior citizens and to those who may face special challenges because they do not have to travel to the Post Office for service. Item 47, FD at Part I, Concern and Response to Proposal 4. Most transactions do not require meeting the carrier at the mailbox. Item 47, FD, Part VI. Customers may also purchase stamps by mail, and arrange for package mailing, and postal money orders with the carrier. Item 21, Letter at 4. Packages that fit will be delivered to the rural box, for those packages that do not fit, the carrier will travel up to one-half mile from the mailbox to deliver the packages to a convenient place (such as a porch or carport) that the customer designates. Item 47, FD, Part I, Concern and Response to proposal 1.

The customers raised the issue of mail security. This concern was also addressed in the record. CBUs are secure, free-standing units of individually locked mail compartments that are provided, installed and maintained by the Postal Service at no cost to customers, and with keys provided to customers by the Postal Service. Item 21, Letter at 6, Item 47, FD, Part I, Concern and Response 14. A significant benefit of CBUs is the security that they provide against mail theft and mailbox vandalism. *Id.* Petitioner Thornock raises an issue of vandalism to the CBUs in his letter of September 28, 2011. There are been no documented report of vandalism in the community from the Sherriff's Office or the Postal Inspection Service. Item 22, Customer Questionnaires and Response Letters at 47-5.

Thus, the Postal Service has considered impact of closing the Bloomington Post Office upon the provision of postal services to the Bloomington customers, and has properly concluded that the Bloomington customers will continue to receive regular and effective service. Highway contract service will be provides to CBUs. The HCR carrier will be able to provide retail services, including the sale of stamps that the customer can arrange by leaving money or a note in the mailbox. Packages will be delivered to mailboxes, and those that are too large for the mailbox may be delivered to a convenient, customer-selected point up to one-half mile from the line of travel. Accordingly, the Postal Service has properly considered the impact of closing the Bloomington Post Office, and has properly concluded that the Bloomington customers will continue to receive regular and effective mail service.

Effect Upon the Bloomington Community

The Postal Service is obligated to consider the effect of its decision to close the Bloomington Post Office upon the Bloomington community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to discontinue a Post Office.

Bloomington is an unincorporated community located in Bear Lake County, Idaho. The Bear Lake Sheriff's Department provides police protection, and the Bear Lake County Department provides fire protection. Item 47, FD at Part II. The community is comprised of retirees, farmers, and commuters. Item 47, FD, Part II. Business and organizations include multiple home business and mining. Item 47, FD, Part II. The questionnaires completed by the Bloomington customers indicate that, in general, the retirees, senior citizens, and others who reside in Bloomington may travel for other supplies and services. Item 47, FD, Part II; Item 22, Customer Questionnaires.

The Petitioners raise the issue of the effect of the closing of the Bloomington Post Office upon the Bloomington community. This issue was considered by the Postal Service, as reflected in the administrative record. Item 47, FD, Part II Concern and Responses 1-2; Item 22, Customer Questionnaires. The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name. Item 47, FD, Part II, Concern 1-2. The Postal Service further explained that

the Postal Service is helping to preserve community identity by continuing the use of the Bloomington name and ZIP Code in addresses and the National Five Digit ZIP Code and Post Office Directory. Item 47, FD, Part II, Concern and Response 1; Item 22, Customer Questionnaires at 47-2. Communities generally require regular and effective postal services and these will continue to be provided to the Bloomington community. Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Bloomington Post Office on the Bloomington community.

Economic Savings

The Postal Service also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The estimated annual savings associated with discontinuing the Bloomington Post Office are \$43, 376. Item 47, FD at Part IV.

The Petitioners suggest strategies that might reduce costs or increase revenue at the Bloomington Post Office. These strategies include opening more post offices, cutting sponsorships, cutting retirement packages, and discontinuing door delivery. The Postal Service has broad experience with similar options, but the focus of this administrative action concerns whether service can be provided effectively and efficiently to the Bloomington community. In this case, the Postal Service has determined that HCR service to CBUs, coupled with service at the nearby Montpelier Post Office, is a more cost-effective solution than maintaining the Bloomington postal

facility and career position. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations.

Petitioners question whether replacement service will provide them with a "maximum degree" of service envisioned by Title 39. Pursuant to 39 U.S.C. § 404(d)(2)(A)(iii), the Postal Service in determining whether to close a Post Office must consider whether such closing is consistent with the policy that the Postal Service provide "a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining." The Postal Service's view is that the "maximum degree" obligation in section 101(b) must be read in the context of related statutory provisions. It is a directive to recognize that special consideration must be given to the greater likelihood of dependence on postal retail facilities for access to postal products and services in rural communities and small towns; however, this concern must be balanced with Congressional mandates that the Postal Service execute its mission efficiently and economically. See 39 U.S.C. §§ 101(a); 403(a), (b)(1) and (b)(3); 404(d)(2) and 3661(a). Here, the Postal Service then analyzed whether a maximum degree of effective and regular postal services to the area and community could be provided with rural delivery service in the absence of the Post Office, and the answer was affirmative. Thus, economic factors are one of several factors that the Postal Service considered, and the economic savings have been calculated as required for discontinuance studies in accordance with statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The postmaster position became vacant when the postmaster retired on June 30, 2011. Item 47, FD Part III. The non-career postmaster relief may be separated from the Postal Service. No other postal employee will be adversely affected. Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Bloomington Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Bloomington Post Office on the provision of postal services and on the Bloomington community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Bloomington customers. Item 47, FD. The Postal Service respectfully submits that this conclusion is consistent with and supported

by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A).

The Postal Service respectfully requests that the determination to close the Bloomington Post Office be affirmed.

Respectfully submitted,

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